



REPLY TO
ATTENTION OF

DEPARTMENT OF THE ARMY
OFFICE OF THE ASSISTANT SECRETARY OF THE ARMY
FINANCIAL MANAGEMENT AND COMPTROLLER
109 ARMY PENTAGON
WASHINGTON DC 20310-0109

JUL 07 2004

MEMORANDUM FOR SEE DISTRIBUTION

SUBJECT: Improper Payments and Unused Airline Tickets

Commanders:

A recent General Accounting Office audit revealed over \$39 million in unused airline tickets that were not returned by travelers and 27,000 travel claims suspected of improper payments. The improper payments resulted from individuals claiming reimbursement for airline tickets on their travel voucher when the ticket was purchased with the centrally billed travel account.

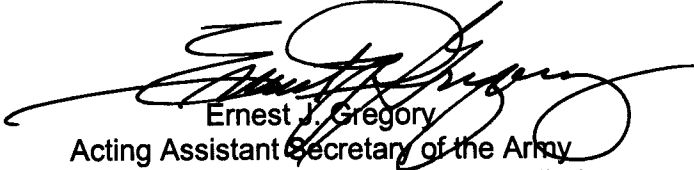
The Department of Defense is working with the contracted Commercial Travel Offices and the airlines to recover the monies from the unused tickets and the Defense Finance and Accounting Service (DFAS) is researching travel records to determine if improper payments occurred. DFAS will request payment from individuals where improper payments are discovered and if not paid, will begin collection action. Incidents of suspected fraud will be forwarded to Army criminal investigators for review.

To prevent similar occurrences in the future:

- Commanders and supervisors must notify personnel to return all unused tickets and not to claim reimbursement for airline tickets if the ticket is purchased with a centrally billed account.
- Travel voucher reviewing officials must verify receipts for transportation charges and ensure the return of any unused tickets prior to certification of the claim. In addition, reviewers should verify:
 - Travel claims include all receipts for expenses over \$75.00
 - All lodging and rental car receipts
 - Itinerary is complete and agrees with travel orders
 - Split disbursement is checked for military and the amount entered is reasonable for the claimed expenses
 - Civilian travelers have made a payment selection in Block 1 of the DD Form 1351-2.
- Organizational Budget Officers should review Unliquidated Obligations to ensure actual expenses are reasonable with respect to estimates.
- Budget Officers should follow-up to ensure unused tickets were returned.

In addition, commanders can use their Internal Review Office for periodic reviews to prevent improper payments and loss of the use of funds due to failure to return unused tickets.

For questions contact Mr. Frank Rago, Army Travel Card Program Manager, (703) 693-3396, francis.rago@hqda.army.mil.



Ernest J. Gregory
Acting Assistant Secretary of the Army
(Financial Management and Comptroller)

*The actions you take will
save your funding for your
missions.*

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